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STATE OF MONTANA

REPORT TO THE LEGISLATURE

GREAT FALLS VOCATIONAL-TECHNICAL CENTER

Financial/Compliance Audit Report
For the Two Fiscal Years Ended June 30, 1983

OFFICE OF THE LEGISLATIVE AUDITOR
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Financial/Compliance Audit Report
For the Two Fiscal Years Ended June 30, 1983

83-5

Office of the Legislative Auditor
Room 135, State Capitol
Helena, Montana 59620

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ELECTIVE AND ADMINISTRATIVE OFFICIALS

GREAT FALLS VOCATIONAL-TECHNICAL CENTER

Loran Frazier	Director
Carl Spinti	Assistant Director

OFFICE OF THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Ed Argenbright	Superintendent and Executive Officer of Vocational Education
Gene Christiaansen	Assistant Superintendent for Vocational Education Services

GREAT FALLS SCHOOL DISTRICT #1

Board of Trustees

	Term Expires
Nancy Davidson, Chairperson	1984
Claudia L. Steen, Vice Chairperson	1984
Darlene A. Meddock	1984
John P. Paul	1985
George Walker	1986
Shirley M. Gray	1986
Dixie Swanson	1986

Administrative Officials

Harold Wenaas	Superintendent
Earl B. Lamb	Assistant Superintendent for Business

SUMMARY OF RECOMMENDATIONS

This listing serves as a means of summarizing the recommendations contained in the report and the Great Falls Vocational-Technical Center and the Office of Public Instruction (OPI) replies.

Page

Recommendation #1
The center:
A. Provide accounting training to center personnel. 5

Center Reply: Concur. See page 48.
OPI Reply: Concur. See page 50.

B. Review monthly accounting reports for reasonableness. 5

Center Reply: Concur. See page 48.
OPI Reply: Concur. See page 50.

Recommendation #2
The center change the SBAS fund classification for four of its accounting entities. 6

Center Reply: Concur. See page 48.
OPI Reply: Concur. See page 50.

Recommendation #3
A. OPI clarify its FTE policy to consider programs which cover parts of quarters. 7

Center Reply: Concur. See page 48.
OPI Reply: Concur. See page 50.

B. The center compute contact hours according to OPI policy. 7

Center Reply: Concur. See page 48.
OPI Reply: Concur. See page 50.

Recommendation #4
The center:
A. Record its endowment activity in the accounting records. 8

Center Reply: Concur. See page 48.
OPI Reply: Concur. See page 51.

SUMMARY OF RECOMMENDATIONS (Continued)

Page

B. Deposit the endowment funds in the State Treasury or obtain authorization from the Department of Administration to keep the funds at the school district, in accordance with state law. 8

Center Reply: Concur. See page 48.
OPI Reply: Concur. See page 51.

Recommendation #5
The center negotiate agreements to recover, to the fullest extent possible, the indirect costs of administering federal grants, as required by section 17-3-111, MCA. 9

Center Reply: Concur. See page 48.
OPI Reply: Concur. See page 51.

Recommendation #6
The center comply with state law when making inter-entity loans. 9

Center Reply: Concur. See page 48.
OPI Reply: Concur. See page 51.

Recommendation #7
The center deposit moneys in compliance with state law. 10

Center Reply: Concur. See page 48.
OPI Reply: Concur. See page 51.

Recommendation #8
The center submit an amended federal report for fiscal year 1982-83 reporting the correct maintenance of level of effort information. 11

Center Reply: Concur. See page 48.
OPI Reply: Concur. See page 51.

Recommendation #9
The center submit corrected federal reports for fiscal years 1981-82 and 1982-83. 12

Center Reply: Concur. See page 48.
OPI Reply: Concur. See page 51.

SUMMARY OF RECOMMENDATIONS (Continued)

Page

Recommendation #10
The center adequately support amounts shown on federal reports. 12

Center Reply: Concur. See page 48.
OPI Reply: Concur. See page 52.

Recommendation #11
The center:
A. Compute a student's cost of education on an academic year. 13

Center Reply: Concur. See page 49.
OPI Reply: Concur. See page 52.

B. Refund to the U.S. Department of Education the $596 in overawards. 13

Center Reply: Concur. See page 49.
OPI Reply: Concur. See page 52.

Recommendation #12
The center:
A. Compute awards based on student's scheduled attendance. 13

Center Reply: Concur. See page 49.
OPI Reply: Concur. See page 52.

B. Refund $130 to the U.S. Department of Education. 13

Center Reply: Concur. See page 49.
OPI Reply: Concur. See page 52.

Recommendation #13
The center:
A. document its satisfactory progress policy. 13

Center Reply: Concur. See page 49.
OPI Reply: Concur. See page 52.

B. Monitor students' progress and revoke student aid awards to students who are not maintaining a satisfactory progress level. 13

Center Reply: Concur. See page 49.
OPI Reply: Concur. See page 52.

SUMMARY OF RECOMMENDATIONS (Continued)

Page

Recommendation #14
The center establish and document a student aid eligibility standard based on ability to benefit. 14

Center Reply: Concur. See page 49.
OPI Reply: Do not concur. See page 52.

Recommendation #15
The center obtain and review financial aid transcripts for students who indicate previous attendance at another postsecondary institution. 15

Center Reply: Concur. See page 49.
OPI Reply: Concur. See page 52.

Recommendation #16
The center comply with federal regulations in documenting Pell grant applicant data. 15

Center Reply: Concur. See page 49.
OPI Reply: Concur. See page 53.

Recommendation #17
The center maintain minimum cash balances sufficient to finance current disbursements. 15

Center Reply: Concur. See page 49.
OPI Reply: Concur. See page 53.

Recommendation #18
The center assign responsibility to a person not involved with day to day bookstore operations to count and determine the cost of inventory on hand at June 30 each year. 18

Center Reply: Concur. See page 49.
OPI Reply: Concur. See page 53.

INTRODUCTION

We performed a financial/compliance audit of the Great Falls Vocational-Technical Center for the two fiscal years ended June 30, 1983. Our audit objectives were to:

1. Express an opinion on the center's financial statements prepared in accordance with generally accepted accounting principles for the two fiscal years ended June 30, 1983;

2. Determine whether the center complied with applicable laws and regulations;

3. Verify enrollment and student contact hours reported by the center; and

4. Make recommendations for improvement in the management and internal controls of the center.

In accordance with section 5-13-307, MCA, we analyzed the costs of implementing the recommendations made in this report. Each report section discloses the cost, if significant, of implementing the recommendation.

We thank the center's director, the superintendent of schools, the Office of Public Instruction, and their staffs for their cooperation and assistance during our audit.

OVERALL VO-TECH CONCERNS

During our audits of the vocational-technical centers we found issues which affect vocational-technical centers but are the responsibility of the Office of Public Instruction (OPI). These issues concern:

1. Compliance with the House Bill 2, Laws of 1981, Special Session 1, requirement that General Fund be reverted in the amount of excess mandatory millage.

2. Compliance with section 17-2-108, MCA, that requires centers to spend non-general funds first whenever possible.

3. Controls over contingency fund appropriations.

4. Compliance with the House Bill 2, Laws of 1981, Special Session 1, requirement that excess federal Vocational Education Basic Grant funds received be distributed to the centers.

5. Fund structures and accounts used by the centers and OPI.

These concerns are discussed in a report which is bound separately.

BACKGROUND

The Montana Legislature established the Great Falls Vocational-Technical Center in 1969 to offer employment training in vocational and technical fields. At that time the Great Falls School District had established, in five different locations throughout the city, postsecondary programs offering training through adult education, licensed practical nursing, dental assisting, and food services. In 1971, these programs were physically consolidated into two elementary schools and administered as the Great Falls Vocational-Technical Center. Currently the center operates in a building which was completed during 1977. The center's building was financed with $2,000,000 of state funds and $2,000,000 of local funds.

The Great Falls Vocational-Technical Center is one of five state-designated postsecondary vocational-technical centers. The center is governed by the Office of Public Instruction and the local board of trustees of the Great Falls Public Schools - District #1.

The center enrolled 481 students in fall quarter of 1981 and 517 students in fall quarter of 1982. The center offered instruction in four major areas as follows:

1. Business Occupations

   -- Bookkeeping/Accounting
   -- Data Entry Operator
   -- Mid-Management

2. Health Occupations

-- Dental Assistant
-- Nurse Attendant/Orderly
-- Practical Nurse
-- Respiratory Technician

3. Office Occupations

-- Clerk Typist
-- File Clerk
-- General Office Clerk
-- General Secretary
-- Legal Secretary
-- Legal Typist/Transcriptionist
-- Medical Secretary
-- Medical Transcriptionist
-- Secretary/Stenographer
-- Word Processor

4. Trades and Industry

-- Auto Body Painting
-- Auto Body Repair
-- Front End Alignment
-- Watchmaking and Jewelry

SUMMARY

The compliance, internal control and accounting issues discussed in the following sections of this report significantly reduce the reliability of management's financial information and its ability to ensure compliance with state and federal laws and regulations. The nature of issues addressed in this audit report required significant additional audit resources. Since adequate control systems were not in place during the audit we performed additional substantive testing to determine compliance with laws and give an opinion on the center's financial statements.

The center can significantly increase its management effectiveness by:

1. Providing adequate training to personnel involved in the accounting, control and compliance areas discussed in the following report sections.

2. Developing management control systems that provide adequate review and approval of center activities to ensure compliance with internal accounting control procedures and compliance with state and federal laws and regulations and center policy.

ACCOUNTING ISSUES

Accounting Errors

We detected an unusually high number of accounting errors at the center due to the lack of training of center personnel, and the lack of fixed responsibilities. The errors can be classified into two types: unrecorded financial activity and incorrect coding of accounting documents.

Examples of financial activity not recorded on the center's accounting records include the following:

1. The center did not record $85,600 of media center books and films in the Investment in Plant Fund;

2. The center did not record an $11,320 endowment in the Endowment Fund. Interest of $2,814 earned on the endowment and $1,000 of scholarships paid from the interest earnings were not recorded in the Current Restricted Fund during fiscal year 1982-83.

3. The center did not record the correct value of Bookstore and Food Service inventory during the audit period. This resulted in a $2,653 understatement of inventory in the Current Unrestricted Fund on SBAS at June 30, 1983.

Examples of the center's recording errors include:

1. The center incorrectly used the Other Advances account, resulting in a $22,297 negative balance in the Current Unrestricted Fund at June 30, 1983. This balance represents a liability rather than an asset.

2. The center recorded federal revenues at the time cash was received. Federal grant money received in advance of expenditures is not earned and should be recorded as deferred revenue at fiscal year-end. At fiscal year-end 1981-82 and 1982-83, the center should have deferred the recognition of $5,008 and $4,375 in revenue, respectively.

3. The center incorrectly used the fiscal year-end cash cutoff accounts, resulting in negative receivable balances of $2,461 in the Current Unrestricted Fund and $5,404 in the Current Restricted Fund at June 30, 1983.

Currently, three center personnel are responsible for coding an accounting document. The center could reduce the number of accounting errors by providing training to personnel who code, review and approve accounting documents. The training should enable the center to record transactions in accordance with state accounting policy (Montana Operations Manual).

The person responsible for reviewing and approving accounting documents should also review the monthly accounting reports for reasonableness. The center could detect some coding errors by reviewing the monthly general ledger and determining the cause of unusual items, such as negative account balances. The center could detect other errors by reviewing the funding sources on the monthly responsibility center reports for propriety.

RECOMMENDATION #1

WE RECOMMEND THAT THE CENTER:

A. PROVIDE ACCOUNTING TRAINING TO CENTER PERSONNEL.

B. REVIEW MONTHLY ACCOUNTING REPORTS FOR REASONABLENESS.

Fund Classification

Four of the center's accounting entities are classified incorrectly on the center's accounting system. The Unrestricted and Restricted sub-funds should be used to account for the Current Funds' financial resources that can be expended for general operations. However, Restricted sub-fund financial resources are restricted to use for specific purposes by external sources. The Agency Fund should be used to account for moneys where the center acts in the capacity of a custodian or fiscal agent. The following table illustrates how the accounting entities should be reclassified:

Name	Present Fund Classification	Correct Fund Classification
Student Aid Admin. Allowance	Current Restricted	Current Unrestricted - General Operating
*Other Scholarships and Student Aid	Current Restricted	Agency
Great Falls Application Fee	Current Unrestricted - Designated	Current Unrestricted - General Operating
BEOG (Pell) - Great Falls	Agency	Current Restricted

*Only those scholarships for which the grantor determines the recipient should be recorded in the Agency Fund.

Source: Compiled by the Office of the Legislative Auditor

Recording activity in the proper fund would provide more meaningful financial information to SBAS users and facilitate financial statement preparation from the center's accounting records.

RECOMMENDATION #2

WE RECOMMEND THE CENTER CHANGE THE SBAS FUND CLASSIFICATION FOR FOUR OF ITS ACCOUNTING ENTITIES.

CONTACT HOURS

The number of full-time equivalent students (FTE) reported by the center represents the sum of full and part-time student FTE reported to the Office of Public Instruction on the twelfth day of class. During fiscal years 1982 and 1983 the center computed the FTE by dividing estimated student contact hours (based on the twelfth day's enrollment) by 250. We noted the following problems in the procedures used by the center in calculating its FTE.

1. Students in the center's fiscal year 1981 and 1982 13 month nursing program were counted as though they attended the center all of the fifth quarter. These students actually attended classes 29 days (about half) of the fifth quarter. Because Practical Nursing programs begin two times each year, this overstated student contact hours by 2,940 hours (11 FTE) in Fall quarter 1982 and 2,310 hours (9 FTE) in Spring quarter 1983.

2. The center used an average of 7 hours of contact per day per student in the Fall quarter 1981 LPN program. We estimated an average of 4 contact hours based on our sample of 17 students in this program, or 7,380 less contact hours (29 FTE) than reported.

3. We noted several mathematical errors on the quarterly 12th day FTE reports and related supporting documentation. Although they did not result in significant reporting errors, they could have. Someone other than the report preparer should review the quarterly reports for reasonableness and recompute selected amounts on the reports and support documentation to verify the accuracy of the information prior to submitting the quarterly reports to OPI.

RECOMMENDATION #3

WE RECOMMEND:

A. OPI CLARIFY ITS FTE POLICY TO CONSIDER PROGRAMS WHICH COVER PARTS OF QUARTERS.

B. THE CENTER COMPUTE CONTACT HOURS ACCORDING TO OPI POLICY.

STATE COMPLIANCE

We reviewed compliance with state laws that could have a material impact on the financial statements of the center. In our opinion, except for the instances of noncompliance identified below, and the overall center concerns discussed in a separate bound report, the center complied with the state laws and regulations tested. Nothing came to our attention that causes us to believe untested compliance issues are not in accordance with applicable laws and regulations.

Funds Outside State Treasury

The center deposited an $11,320 endowment in the school district's investment pool rather than depositing the cash in the state treasury, as required by state law. The endowment and distributions of interest earned on the endowment principal are recorded on the school district's, not the center's, accounting records.

Section 20-7-322(2), MCA, requires centers to deposit all money received from any source in the state treasury, unless they obtain authorization from the Department of Administration to maintain funds outside the state treasury. The center should obtain authorization to maintain the endowment at the school district or deposit the endowment funds in the state treasury. In either case, the center should record the endowment's financial activity on its accounting records.

RECOMMENDATION #4

WE RECOMMEND THE CENTER:

A. RECORD ITS ENDOWMENT ACTIVITY IN THE ACCOUNTING RECORDS.

B. DEPOSIT THE ENDOWMENT FUNDS IN THE STATE TREASURY OR OBTAIN AUTHORIZATION FROM THE DEPARTMENT OF ADMINISTRATION TO KEEP THE FUNDS AT THE SCHOOL DISTRICT, IN ACCORDANCE WITH STATE LAW.

Indirect Costs

The federal government recognizes and provides for reimbursements to state agencies for indirect costs incurred in the administration of federal grants. Section 17-3-111, MCA, and Management Memo 4-81-7 require each agency to negotiate agreements with the federal government to recover, to the fullest extent possible, the indirect costs of administering federal grants.

The center had an approved indirect cost rate of 8.29 percent of direct program costs for fiscal year 1981-82 on the Respiratory Technology grant. The center could have collected $6,474 of indirect costs on the grant if they had not spent it on direct program costs. The center should have recovered these indirect costs in accordance with section 17-3-111, MCA.

The center received a fiscal year 1982-83 Respiratory Technology grant which permitted indirect costs to be drawn if an approved indirect cost plan existed. The center did not negotiate

an indirect cost rate for fiscal year 1982-83 or recover indirect costs of administering the grant, as required by state law.

RECOMMENDATION #5

WE RECOMMEND THE CENTER NEGOTIATE AGREEMENTS TO RECOVER, TO THE FULLEST EXTENT POSSIBLE, THE INDIRECT COSTS OF ADMINISTERING FEDERAL GRANTS, AS REQUIRED BY SECTION 17-3-111, MCA.

Inter-entity Loans

Inter-entity loans are authorized by state law in section 17-2-107, MCA. According to this statute, all inter-entity loans must be repaid by fiscal year-end if not approved by the Department of Administration for carry over. At fiscal year-end 1982-83, the center had $2,508 of outstanding inter-entity loans which the Department of Administration had not approved for extension into the next fiscal year.

Section 17-2-107, MCA, applies to all state agencies not exempted from its requirements by other statutes. There are no exemptions for the center.

RECOMMENDATION #6

WE RECOMMEND THE CENTER COMPLY WITH STATE LAW WHEN MAKING INTER-ENTITY LOANS.

Cash Deposits

The center usually deposits receipts every other day, even when each day's collections exceed $100. Section 17-6-105[6], MCA, requires all moneys received to be deposited each day the accumulated amount of coin and currency exceeds $100 or total collections exceed $500. All moneys collected must be deposited at least weekly. When receipts are not immediately deposited they are susceptible to loss or theft. The center should devise a system for handling cash receipts which requires all moneys to be deposited in the state treasury in accordance with state law.

Center personnel stated that unless an unusually large amount of money is received, the center stores cash receipts in its vault because of the amount of time it takes to prepare and make a deposit.

RECOMMENDATION #7

WE RECOMMEND THE CENTER DEPOSIT MONEYS IN COMPLIANCE WITH STATE LAW.

FEDERAL GRANTS

Introduction

Our audit of federal moneys was performed in accordance with the requirements in the U.S. Office of Management and Budget "Circular A-110" and the student aid audit guide prescribed by the U.S. Department of Education. Circular A-110 provides for audits of financial operations, including compliance with certain provisions of federal law and regulations.

The Great Falls Vocational-Technical Center was a grantee receiving federal funds from the agencies listed on page 30. We reviewed the major compliance areas for the Respiratory Therapy, Library, Automation of Student Records and Student Financial Aid grants. Areas reviewed included:

1. eligibility determination,
2. specific grant provisions,
3. cost allowability, and
4. grantor reports.

During our review, we noted the compliance problems in student financial aid discussed on pages 12 and 13 for which we questioned the allowability of costs. Additional compliance problems noted in student financial aid are discussed on pages 11 through 15. Based on our examination, we found that, for the items tested, the center complied with the material terms and conditions of the Department of Education award agreements and agreements with state agencies or organizations administering the Federal Guaranteed Student Loan Program. Nothing came to our attention that causes

us to believe untested compliance issues are not in accordance with applicable laws and regulations.

Financial Aid Reports

Maintenance of Effort

The center reported maintenance of level of effort of $3,073 on the 1982-83 Fiscal Operations Report and Application to Participate (FISAP). The center did not include $1,000 of scholarships. Federal regulations state money spent on financial aid to be included in the maintenance of effort includes any funds donated to students for student financial aid if the institution chooses the recipients and award amounts. The center should amend the FISAP to include these scholarships.

RECOMMENDATION #8

WE RECOMMEND THE CENTER SUBMIT AN AMENDED FEDERAL REPORT FOR FISCAL YEAR 1982-83 REPORTING THE CORRECT MAINTENANCE OF LEVEL OF EFFORT INFORMATION.

Application and Fiscal Operation Report

Federal regulations state the amounts reported on the FISAP must be supported by the accounting records. The College Work Study (CWS) total earned compensation for regular CWS jobs reported on the 1981-82 Fiscal Operations Report was reported at $10,822; however, the center's accounting records indicate $10,785 was paid to students.

The Supplemental Educational Opportunity Grant (SEOG) disbursements to students for initial year allocation reported on the 1982-83 FISAP were reported at $10,492 due to a math error. The amount should be reported at $10,016.

The center should submit a corrected FISAP for fiscal years 1981-82 and 1982-83.

RECOMMENDATION #9

WE RECOMMEND THE CENTER SUBMIT CORRECTED FEDERAL REPORTS FOR FISCAL YEARS 1981-82 AND 1982-83.

Recipient Report of Expenditures

The Recipient Report of Expenditures for the Quarter Ended June 30, 1983, Part I, Status of Federal Cash, is not adequately supported by the accounting records or documentation showing adjustments to the accounting records. Beginning Cash Balance is overstated by $289; Gross and Net Disbursements is understated by $791; Adjustments to Prior Period is understated by $551; and Ending Cash Balance is overstated by $529. This report is the center's basis for requesting federal funds. The report should tie to the primary accounting records to prevent over or under requesting cash to operate federal programs.

RECOMMENDATION #10

WE RECOMMEND THE CENTER ADEQUATELY SUPPORT AMOUNTS SHOWN ON FEDERAL REPORTS.

Cost of Education

For five of twenty-seven students tested, the center computed the cost of education on a twelve month budget when these students actually attended school for nine months. This procedure overstates the student's cost of education and can result in overawards to students because the student's need is inflated. We found one student who received a $446 overaward because cost of education was improperly computed. In addition, as a result of using the improper cost of education, three students tested were each overawarded $50 on their Pell grants.

Federal regulations state a student's cost of education should be based on the costs for an academic year and disbursed in equal payments. If a student does attend summer session, the student should apply for aid for that quarter.

RECOMMENDATION #11

WE RECOMMEND THE CENTER:

A. COMPUTE A STUDENT'S COST OF EDUCATION ON AN ACADEMIC YEAR.

B. REFUND TO THE U.S. DEPARTMENT OF EDUCATION THE $596 IN OVERAWARDS.

Pell Overaward

A three-quarter time student received a Pell award of $260 based on full-time attendance during Fall and Winter quarters of 1982-83, resulting in a $130 overaward. The financial aid officer should compute awards based on students' scheduled attendance.

RECOMMENDATION #12

WE RECOMMEND THE CENTER:

A. COMPUTE AWARDS BASED ON STUDENTS' SCHEDULED ATTENDANCE.

B. REFUND $130 TO THE U.S. DEPARTMENT OF EDUCATION.

Satisfactory Progress

Federal regulations governing the student aid programs require the center to document its policy and monitor each student's progress according to the policy to ensure the student continues to be eligible for aid. The center does not document its policy regarding satisfactory progress for financial aid recipients. The center has a scholastic probation policy that indicates a student must maintain a C average.

RECOMMENDATION #13

WE RECOMMEND THE CENTER:

A. DOCUMENT ITS SATISFACTORY PROGRESS POLICY.

B. MONITOR STUDENTS' PROGRESS AND REVOKE STUDENT AID AWARDS TO STUDENTS WHO ARE NOT MAINTAINING A SATISFACTORY PROGRESS LEVEL.

Ability to Benefit

By state law the center must admit interested Montana residents over the age of sixteen. Federal regulations require that in the absence of a General Education Development (GED) certificate or high school diploma, the institution must ensure the student has the ability to benefit from the education or training offered. If a student does not have the "ability to benefit", federal financial aid is not to be given to the student. Currently, the center tests all entering students to determine their academic level. The center should establish and document a policy to ensure if a student's tested grade level is below the standards of ability to benefit, the information is relayed to the financial aid officer.

RECOMMENDATION #14

WE RECOMMEND THE CENTER ESTABLISH AND DOCUMENT A STUDENT AID ELIGIBILITY STANDARD BASED ON ABILITY TO BENEFIT.

Transcripts

We noted two instances out of six tested where the student previously attended another institution and the center did not request a financial aid transcript. Federal regulations require the center to obtain a financial aid transcript from the previous institution if a student indicates they have attended another post-secondary institution. The center must review the transcript, which documents the status of prior awards to the student, and document the review in the student's file to determine if the student is still eligible for financial aid. If a student was previously overawarded financial aid, the student may not be eligible to receive aid from the center. In addition, the center must be aware of aid received by the student from other institutions to avoid awarding over the maximum allowable aid to be given a student.

RECOMMENDATION #15

WE RECOMMEND THE CENTER OBTAIN AND REVIEW FINANCIAL AID TRANSCRIPTS FOR STUDENTS WHO INDICATE PREVIOUS ATTENDANCE AT ANOTHER POSTSECONDARY INSTITUTION.

Pell Grant Validations

We examined the files of five students who received Pell Grants in fiscal years 1981-82 and 1982-83. As outlined in the June 1981 Pell Grant Audit Guide, certain documentation must be present in the student file to verify information submitted in the grant application. Two of the five files tested did not contain copies of signed federal income tax returns to verify the students' adjusted gross income.

RECOMMENDATION #16

WE RECOMMEND THE CENTER COMPLY WITH FEDERAL REGULATIONS IN DOCUMENTING PELL GRANT APPLICANT DATA.

Excess Cash

The center's records show excess cash remaining in the College Work Study Program for eight months during fiscal year 1981-82. For example, at the end of August 1981, the center had a cash balance of $5,671. As of the end of October 1981, the center had only disbursed $214 of this balance.

According to OMB Circular A-110, Attachment F, the recipient shall request funds as close as possible to the time of making disbursements. Cash requests should be made as close as possible to the time of and for the amount of disbursements made.

RECOMMENDATION #17

WE RECOMMEND THE CENTER MAINTAIN MINIMUM CASH BALANCES SUFFICIENT TO FINANCE CURRENT DISBURSEMENTS.

INTERNAL CONTROL

We have examined the financial statements of the Great Falls Vocational-Technical Center for the two fiscal years ended June 30, 1982 and June 30, 1983. We issued our opinion dated November 30, 1983 on these statements. In addition, we examined the Application and Fiscal Operations Report (FISAP) (ED Form 646), Part IV -SEOG, and Part V - CWS; and the June 30, 1982 and 1983, Progress Report (ED Form 255-3), Section III, lines 19 through 21 - Pell Grants, of the center for the two years ended June 30, 1983. As part of our examination, we made a study and evaluation of the system of control of the center. Our study evaluated the system as required by generally accepted governmental auditing standards for financial/compliance audits. We classified the controls in the following categories:

1. cash;
2. revenue/receipts/accounts receivable;
3. operating expenditures/liabilities/inter-fund loans receivable and payable;
4. inventory;
5. plant, property, and equipment;
6. payroll;
7. grants and contracts; and
8. student financial aid.

Our study included the control categories listed above. Through our study, we determined the nature, timing, and extent of our auditing procedures. We applied alternative audit tests to cash, revenue/receipts/accounts receivable and inventory, because the audit could be performed more efficiently by expanding substantive audit work. We did not evaluate the control system to the extent necessary to give an opinion on either individual segments or the system as a whole.

The management of the center is responsible for establishing and maintaining a system of accounting control. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of control procedures. The objectives of a system are to provide management with reasonable assurance that: (1) assets are safeguarded against loss from unauthorized use or disposition; (2) transactions are executed in accordance with management's authorization; and (3) transactions are recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Inherent limitations in any system of controls may cause errors or irregularities to remain undetected. The current system evaluation should not be used to project to future periods since the procedures may become inadequate or compliance with them may deteriorate.

The limited purpose of study described in the first paragraph would not necessarily disclose all material weaknesses in the system. Accordingly, we do not express an opinion on the system of controls used by the center. However, our study disclosed conditions that could result in financial statement errors that would be difficult to detect. These conditions relating to inventories are discussed below.

These conditions were considered in determining the nature, timing, and extent of the audit tests of the financial statements and this report does not affect our report on the financial statements dated November 30, 1983.

The preceding four paragraphs are intended solely for the use of management and the legislature and should not be used for any other purpose. This restriction as to use is not intended to limit the distribution of this document which, upon presentation to the Legislative Audit Committee, is a matter of public record.

INVENTORY PROCEDURES

During our observations of the center's fiscal year-end bookstore inventory counts, we noted the following three types of procedural problems:

1. Bookstore personnel did not remove items sold between the count date and June 30 (fiscal year-end) from the inventory count. To ensure proper cutoff, the inventory count should consist only of items in inventory at the close of June 30.

2. Bookstore personnel recorded the selling price of inventory items while taking their June 1983 count. They then estimated the cost of the inventory by assuming a 20 percent markup of cost. We noted watchmaking inventory is marked up 5 to 10 percent of cost, clothing is marked up about 50 percent and certain books are marked up by over 60 percent of cost. Inventory should be recorded at the actual invoice cost.

3. Personnel added the costs on the June 1982 inventory count sheets inaccurately, understating the cost of bookstore inventory at June 30, 1982, by $358.

Since the bookstore does not maintain perpetual inventory records, it is important that an accurate inventory count be taken every year as of June 30. Someone other than persons involved with day to day operations of the bookstore should verify the inventory count and analyze the reasonableness of the cost of inventory on hand at the end of the year.

RECOMMENDATION #18

WE RECOMMEND THE CENTER ASSIGN RESPONSIBILITY TO A PERSON NOT INVOLVED WITH DAY TO DAY BOOKSTORE OPERATIONS TO COUNT AND DETERMINE THE COST OF INVENTORY ON HAND AT JUNE 30 EACH YEAR.

PRIOR AUDIT RECOMMENDATIONS

The last audit of the Great Falls Vocational-Technical Center, for the fiscal year ended June 30, 1981, was performed by a private CPA firm under contract with the Office of the Legislative Auditor. Their report detailed fourteen recommendations, eleven of which are applicable to the center's current operations. The center has implemented or partially implemented ten of the eleven recommendations. The center has not implemented one recommendation. The recommendation not implemented concerns excess cash discussed on page 15.

AUDITOR'S REPORT AND AGENCY FINANCIAL STATEMENTS

STATE OF MONTANA

Office of the Legislative Auditor

STATE CAPITOL
HELENA, MONTANA 59620
406/444-3122

ROBERT R. RINGWOOD
LEGISLATIVE AUDITOR

DEPUTY LEGISLATIVE AUDITORS:
JAMES H. GILLETT
FINANCIAL/COMPLIANCE AUDITS
SCOTT A. SEACAT
PERFORMANCE AUDITS

STAFF LEGAL COUNSEL
JOHN W. NORTHEY

The Legislative Audit Committee
of the Montana State Legislature:

We have examined the accompanying Balance Sheet of the Great Falls Vocational-Technical Center at June 30, 1983, and the related Statements of Changes in Fund Balances and Current Funds Revenues, Expenditures, and Other Changes for each of the two fiscal years ended June 30, 1983. Except as set forth in paragraph two, our examination was made in accordance with generally accepted governmental auditing standards, and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

The center did not have meaningful records to prepare a Statement of Changes in Fund Balances for the Investment in Plant Fund, as required by generally accepted accounting principles. Accordingly, this statement is not included in the financial statements.

The center's financial statements are materially different from its accounting records on the Statewide Budgeting and Accounting System (SBAS). The variances between the financial statements and the accounting records are the result of adjustments necessary to correct errors in the accounting records and present the financial statements in accordance with generally accepted accounting principles.

In our opinion the financial statements referred to above present fairly the financial position of the Great Falls Vocational-Technical Center as of June 30, 1983, and the changes in fund balances and the current funds revenues, expenditures, and other changes for each of the two fiscal years ending June 30,

1983, in conformity with generally accepted accounting principles which, except for the change in classification of funds as discussed in Note 5, with which we concur, have been applied on a basis consistent with that of the preceding year.

Our examination was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The Schedule of Full-Time Equivalent (FTE) Students, the Schedule of Federal Grant Expenditures, and the Student Financial Aid Federal Reports are presented for the purpose of additional analysis and the U.S. Department of Education reporting requirements and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the examination of the basic financial statements, and, in our opinion are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Sincerely,

James H. Gillett, CPA
Deputy Legislative Auditor

November 30, 1983

Approved:

Robert Ringwood
Legislative Auditor

GREAT FALLS VOCATIONAL-TECHNICAL CENTER
BALANCE SHEET
JUNE 30, 1983

	CURRENT FUNDS				
	Unrestricted	Restricted	Endowment Fund	Agency Fund	Investment in Plant Fund
ASSETS					
Cash	$247,322	$16,971	$11,320	$1,233	
Accounts Receivable	3,685	7,736			
Inter-Entity Loans Receivable	522				
Merchandise Inventory	24,244				
Equipment					$869,376
Total Assets	$275,773	$24,707	$11,320	$1,233	$869,376
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	$141,262	$13,246		$ 51	
Accrued Expenditures	51,165	766			
Inter-entity Loans Payable				522	
Deferred Revenue	35,704	9,321			
Assets Held in Trust for Others				660	
Total Liabilities	228,131	23,333	-0-	1,233	-0-
Fund Balance:					
Fund Balance	47,642	1,374	11,320		
Net Investment in Plant					869,376
Total Liabilities and Fund Balance	$275,773	$24,707	$11,320	$1,233	$869,376

See accompanying Notes to Financial Statements

GREAT FALLS VOCATIONAL-TECHNICAL CENTER
STATEMENT OF CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 1983

	CURRENT FUNDS		Endowment Fund
	Unrestricted	Restricted	
REVENUES AND OTHER ADDITIONS:			
Current Fund Revenues	$1,568,065	$197,535	
Total Revenues & Other Additions	1,568,065	197,535	-0-
EXPENDITURES AND OTHER DEDUCTIONS:			
Current Fund Expenditures	1,566,012	201,296	
Total Expenditures & Other Deductions	1,566,012	201,296	-0-
Net Increase (Decrease) in Fund Balance	2,053	(3,761)	
Beginning Fund Balance as previously reported	45,274	3,431	$11,320
Prior Year Adjustments	315	1,704	-0-
Adjusted Beginning Fund Balance	45,589	5,135	11,320
Ending Fund Balance	$ 47,642	$ 1,374	$11,320

See accompanying Notes to Financial Statements

GREAT FALLS VOCATIONAL-TECHNICAL CENTER
STATEMENT OF CURRENT FUNDS REVENUES, EXPENDITURES, AND OTHER CHANGES
FOR THE FISCAL YEAR ENDED JUNE 30, 1983

	Unrestricted	Restricted
REVENUES		
Tuition and Fees	$234,496	
Federal Appropriation	202,409	
State Appropriation	738,670	
Local Appropriation	242,836	
Federal Grants & Contracts	4,988	$118,160
State Grants & Contracts		80,322
Sales & Services of Designated Funds	6,957	
Sales & Services of Auxiliary Enterprises	136,287	
Other Revenues	1,422	2,814
Total Revenues	1,568,065	201,296
EXPENDITURES		
Educational and General		
Instruction	871,822	74,196
Student Services	103,372	6,936
Academic Support	55,464	769
Institutional Support	202,773	
Plant Operations & Maintenance	182,155	
Scholarships & Fellowships		119,395
Auxiliary Enterprises	142,046	
Designated Fund	8,380	
Total Expenditures	1,566,012	201,296
Excess Transfers of Revenue Over Restricted Receipts *		(3,761)
Net Change in Fund Balance	$ 2,053	$ (3,761)

* Indicates use of Restricted Fund Balance.

See accompanying Notes to Financial Statements

GREAT FALLS VOCATIONAL-TECHNICAL CENTER
STATEMENT OF CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 1982

	CURRENT FUNDS		
	Unrestricted	Restricted	Endowment Fund
REVENUE AND OTHER ADDITIONS:			
Current Fund Revenues	$1,322,012	$104,603	
Private Contributions			$11,320
Total Revenues & Other Additions	1,322,012	104,603	11,320
EXPENDITURES AND OTHER DEDUCTIONS:			
Current Fund Expenditures	1,304,622	105,364	
Total Expenditures & Other Deductions	1,304,622	105,364	-0-
Net Increase (Decrease) in Fund Balance	17,390	(761)	11,320
Beginning Fund Balance as previously reported	(2,370)	775	311
Fund Reclassifications (Note 5)	122	134	(311)
Prior Year Adjustments	30,132	3,283	
Adjusted Beginning Fund Balance	27,884	4,192	-0-
Ending Fund Balance	$ 45,274	$ 3,431	$11,320

See accompanying Notes to Financial Statements

GREAT FALLS VOCATIONAL-TECHNICAL CENTER
STATEMENT OF CURRENT FUNDS REVENUES, EXPENDITURES, AND OTHER CHANGES
FOR THE FISCAL YEAR ENDED JUNE 30, 1982

	Unrestricted	Restricted
REVENUES		
Tuition and Fees	$ 138,294	
Federal Appropriation	195,720	
State Appropriation	668,313	
Local Appropriation	182,720	
Federal Grants and Contracts	3,192	$ 15,479
State Grants and Contracts		89,185
Private Grants and Contracts		700
Sales & Services of Designated Funds	7,216	
Sales & Services of Auxiliary Enterprises	125,001	
Other Revenues	1,556	
Total Revenues	1,322,012	105,364
EXPENDITURES		
Educational & General		
Instruction	723,253	73,627
Academic Support	44,014	1,641
Student Services	87,376	
Institutional Support	190,286	
Plant Operation & Maintenance	141,914	
Scholarships & Fellowships		30,096
Auxiliary Enterprises	112,299	
Designated Funds	5,480	
Total Expenditures	1,304,622	105,364
Excess Transfers of Revenue Over Restricted Receipts *		(761)
Net Increase (Decrease) in Fund Balance	$ 17,390	$ (761)

* Indicates use of Resticted Fund Balance.

See accompanying Notes to Financial Statements

GREAT FALLS VOCATIONAL-TECHNICAL CENTER

Notes to the Financial Statements

For the Two Fiscal Years Ended June 30, 1983

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The preceding financial statements were prepared from the Statewide Budgeting and Accounting System (SBAS) with adjustments.

Basis of Accounting

The financial statements are prepared on the full accrual basis of accounting. Under the full accrual basis of accounting, expenditures are recorded when materials or services are received and revenues are recorded when earned. Revenues and expenditures of an academic term that encompass parts of two fiscal years, such as a summer session, should be reported totally within the fiscal year in which the program is predominantly conducted.

Fund Accounting System

The State of Montana accounts are organized utilizing the fund structure outlined in section 17-2-102, MCA. For financial presentation, these funds have been classified in accordance with generally accepted accounting principles.

-CURRENT FUNDS-

Includes economic resources expendable for instruction, research, public service, and the allied support programs which are not restricted by external sources or designated by the governing board for other than operating purposes. Sub-groups of the current funds group are as follows:

Unrestricted - funds received for which no stipulation was made by the donor or other external agency as to the purposes for which they should be expended. It also includes financial activities related to special organized activities of educational programs

and functions which exist to furnish goods or services to students, faculty, or staff through fee charges.

Restricted - funds available for financing operations which are limited by donors and other external agencies to specific purposes, programs, departments, or schools.

-ENDOWMENT FUND-

Donated funds which are invested in an interest bearing account utilizing only the interest for scholarships to students.

-AGENCY FUND-

Includes resources held by the institution as custodian or fiscal agent for individual students, faculty, staff members, and organizations.

-INVESTMENT IN PLANT FUND-

Includes funds expended for institution properties for the current and prior periods.

Inventories

Assets are normally not recorded for supplies inventory, but are expensed at the time of acquisition.

Merchandise inventory, which consists of bookstore items, is valued at cost.

Vacation and Sick Leave

Classified or support employees are allowed to accumulate and carry over into 90 days of a new calendar year a maximum of two times their annual accumulation of vacation.

Upon termination, qualifying classified employees having unused accumulated vacation and sick leave are paid 100 percent for vacation and 25 percent for sick leave. Teacher/administrative employees receive lump sum payments in accordance with contract provisions and teachers must be employed for more than eighteen years in order to receive one-quarter payment for their unused

sick leave up to a maximum 120 days. At June 30, 1983, the value of accrued compensated absence is $21,490.

2. EMPLOYEES' RETIREMENT SYSTEMS

The center's employees are covered by the Public Employees' Retirement System (PERS) and the Teachers' Retirement System (TRS). Currently, the state contributes 6.417 percent and 7.32 percent of an employee's gross wage to PERS and TRS, respectively. The employee contributes 6 percent and 7.044 percent, respectively. Total pension contributions incurred by the center during fiscal years 1981-82 and 1982-83 were $9,092 and $11,183 to PERS and $43,932 and $51,078 to TRS, respectively.

The state's policy is to fund accrued pension costs. At June 30, 1982, the Public Employees' Retirement System was actuarially sound. The Teachers' Retirement System was actuarially sound at June 30, 1983. The unfunded past service costs and the actuarially computed value of vested benefits were not readily available for members of the plans employed by the center.

3. BUILDINGS AND LAND

The school district purchased the center's land, and a portion of their buildings. The buildings were financed with state funds and a local school district bond issue for a total facility construction cost, including land, of $4,000,000.

Insurance for the center's facility is covered under a blanket policy for School District No. 1 in the value of $6,800,000.

4. BUDGETARY REPORTING

The annual appropriations process for planning and controlling financial operations is set for each fiscal year of the biennium by the legislature. At the end of each fiscal year the center's appropriations revert to the fund of original appropriation and may be spent for valid prior year obligations.

Budget amendments may be obtained to spend funds that were not available for consideration by the legislature but have become

available from sources other than the state's General Fund or Special Revenue Fund.

Appropriations of the center were established within the following areas:

1. Personal Services
2. Operations
3. Capital Expenditures

5. FUND RECLASSIFICATIONS

Several fund reclassifications were made on the financial statements for fiscal years 1981-82 and 1982-83.

Fund Description	Old Fund	New Fund	Fund Balance Change	FY Changed
Pell Grants	Agency	Restricted	$-0-	1982-83
Student Aid Admin. Allowance	Agency	Unrestricted	122	1981-82
Other Scholarships & Student Aid	Endowment	Agency	311	1981-82
Respiratory Technology Grant	Agency	Restricted	134	1981-82

The reason for these fund reclassifications is so that each fund could be more appropriately and correctly classified.

GREAT FALLS VOCATIONAL-TECHNICAL CENTER
SCHEDULE OF FEDERAL GRANT EXPENDITURES
FOR THE FISCAL YEARS ENDED JUNE 30, 1982 AND 1983

Grant Source, Name and Number	Expenditures for the Fiscal Years Ended June 30, 1982	1983
Direct Grants		
U.S. Department of Education		
Library Grant		
Grant #G008251309	$ 1,270.00	$ -0-
Grant #G008351309	-0-	769.45
College Work Study Program		
P008212418	7,618.82	-0-
P008312418	-0-	7,492.77
Pell Grant		
P008206762	76,104.00	-0-
P008306762	-0-	93,585.04
Supplemental Educational Opportunity Grant		
P008232418	11,000.00	-0-
P008332418	-0-	13,656.00
Subgrants		
Montana Office of Public Instruction		
Basic Vocational Education Act Grant	195,720.00	202,409.00
Dental Radiology Update Grant #83-601-05-24-17-7847	-0-	800.00
CETA Individual Referral Project #1103	7,598.80	-0-
Automation of Student Records, Correspondence and Information Dissemination Project #83-6101-06-21-17-G714	-0-	6,936.00
Respiratory Technology Grant		
Project #82-6101-01-33-17-EE01	78,099.51	-0-
Project #83-6101-01-33-17-EE04	-0-	15,124.27
Project #83-6101-01-33-17-EE05	-0-	53,849.36
Commissioner of Higher Education		
State Student Incentive Grant	3,552.00	4,212.00

GREAT FALLS VOCATIONAL-TECHNICAL CENTER
SCHEDULE OF FULL-TIME EQUIVALENT (FTE) STUDENTS
FOR THE TWO FISCAL YEARS ENDED JUNE 30, 1983

Quarter/Year	1981-82	1982-83
Summer	293.5	256.8
Fall	546.5	539.5
Winter	525.3	501.3 *
Spring	575.0	528.6 **

The above FTE represents the sum of full and part-time student FTE reported to the Office of Public Instruction on the Twelfth Day FTE Report. GFVTC computed the FTE by dividing estimated student contact hours (based on the twelfth day's enrollment) by 250.

* Excludes 22.7 FTE for classes started after twelfth day of instruction.

** Excludes 18.4 FTE for classes started after twelfth day of instruction.

Application and Fiscal Operations Report (FISAP)

Expires 7/31/84

Award Period July 1, 1984 - June 30, 1985

Part I. Identifying Information, Certifications and Warning

Section A. Identifying Information

1. Name and Address of Institution

Great Falls Voc-Tech Center
2100 16th South
Great Falls, MT 59405

2. Serial No. 2418 (4 digits)

3. Entity No. 1-81-600-0120-A3 (11 digits)

Branch Campuses

If there is not enough space here to list all of your branch campuses, which will be funded under this application, attach a list on a separate sheet of paper

I have attached a separate list of branch campuses

☐ Yes
☐ No

a.

b.

c.

d.

4. Type of Institution ("X" one)

☐ 4.1 Public
☐ 4.2 Private/Non Profit
☐ 4.3 Proprietary
☒ 4.4 Postsecondary Vocational

5. Length/Type of Program ("X" one)

☐ 5.1 Less than 1 year
☒ 5.2 1 year but less than 2 years
☐ 5.3 2 years but less than 3 years
☐ 5.4 3 years but less than 4 years
☐ 5.5 4 years (Baccalaureate Degree granting only)
☐ 5.6 5 years or more
☐ 5.7 Postbaccalaureate only

Section B. Certifications and Warning

We certify that the information contained in this form is true and accurate to the best of our knowledge. We understand that the information is subject to audit and program review by representatives of the Secretary of Education.

WARNING: Any person who knowingly provides false or misleading information on this form will be subject to a fine of up to $10,000 or to imprisonment of up to 5 years or to both under provisions of the United States Criminal Code Title 18 Section 1001.

6. President of Institution

Signature Loran Frazier

Typed name Loran Frazier

Date signed October 3, 1983

Telephone no. (406) 791-2100
area code - number - extension

7. Financial Aid Administrator

Signature Norvil Carlson

Typed name Norvil Carlson

Date signed 10/3/83

Telephone no (406) 791-2108
area code - number - extension

8. Chief Fiscal Officer

Signature Earl B. Lamb

Typed name Earl B. Lamb

Date signed 10-3-1983

Telephone no. (406) 791-2290
area code - number - extension

OMB No. 1840-007
Expires 7/31/84

Application and Fiscal Operations Report (FISAP)

Name of Institution and State: Great Falls Vo-Tech MT
Serial Number: 2418
Entity Number: 1-8160-0120-A-

Part II. Application to Participate - For Award Year July 1, 1984 Through June 30, 1985

Section A. Request for Funds for the 1984-85 Award Year

1. NDSL Level of Expenditures $ 0
2. NDSL Federal Capital Contribution $ 0
3. SEOG Initial Year (IY) $ 18,000
4. SEOG Continuing Year (CY) $ 4,000
5. CWS Federal Funds $ 20,000

Section B. CWS Institutional Match Waiver Request

(Applies only to certain schools; see instructions)

6. Do you wish to apply as an institution designated as eligible for Title III?
   ☐ Yes
   ☒ No

7. Do you wish to apply as an institution where 50% or more of its students have parents whose adjusted gross income is less than $7,500 per year?
   ☐ Yes
   ☒ No

Section C. Request for Special CWS Funds for Students from Trust Territory/American Samoa

(Applies only to schools with students from certain areas, see instructions)

	Number of students to be employed	Estimated average earnings per student (Federal & institutional shares)	Estimated Total earnings (a x b)	Federal share (Not to exceed 80% of column c)	Administrative cost allowance	Total Request (d + e)
8.	a. # 0	b. $ 0	c. $ 0	d. $ 0	e. $ 0	f. $ 0

Section D. Maintenance of Effort

Institutions that participated in SEOG and/or CWS in Award Year 1982–1983, complete line 9.

9. Institutional Expenditures July 1, 1982–June 30, 1983 $ 3,073

Institutions that received SEOG and/or CWS funds for the first time in Award Year 1983–84, complete lines 10–14.

10. July 1, 1980–June 30, 1981 Expenditures $
11. July 1, 1981–June 30, 1982 Expenditures $
12. July 1, 1982–June 30, 1983 Expenditures $
13. TOTAL EXPENDITURES $
14. 3-Year Average $

Application and Fiscal Operations Report Part II

OMB No. 1840-0073
Expires 7/31/84

Name of Institution and State: Great Falls Vo-Tech Center MT

Serial Number: 2418

Entity Number: 1-8 1 6 0 0-0 1 2 0 A-3

Section E. Assessments and Expenditures

		(a) Undergraduate	(b) Graduate/Professional
15.	Total tuition and fees for the Award Year July 1, 1982-June 30, 1983	$ 227,955	$ 0
16.	Total expended to fund Pell recipients for the 1982-83 Pell Grant Award Year	$ 92,267	
17.	Total expended for State grants and scholarships made to undergraduates for the Award Year July 1, 1982 to June 30, 1983	$ 4,212	
18.	Total expended for institutionally administered grants and scholarships made to undergraduates for the Award Year JULY 1, 1977 to JUNE 30, 1978	$ 1,000	

Section F. Information on Eligible Aid Applicants for Award Year 1982-83

	Total Taxable & Non-taxable Income	DEPENDENT (a) Undergraduate	DEPENDENT (b) Graduate/Professional	Total Taxable & Non-taxable Income	INDEPENDENT (c) Undergraduate	INDEPENDENT (d) Graduate/Professional
19.	$ 0 – $ 2,999	2	0	$ 0 – $ 999	26	0
20.	3,000 – 5,999	7	0	1,000 – 1,999	15	0
21.	6,000 – 8,999	10	0	2,000 – 2,999	9	0
22.	9,000 – 11,999	8	0	3,000 – 3,999	30	0
23.	12,000 – 14,999	6	0	4,000 – 4,999	15	0
24.	15,000 – 17,999	6	0	5,000 – 5,999	3	0
25.	18,000 – 20,999	1	0	6,000 – 6,999	5	0
26.	21,000 – 23,999	4	0	7,000 – 7,999	6	0
27.	24,000 – 26,999	2	0	8,000 – 8,999	4	0
28.	27,000 – 29,999	2	0	9,000 – 9,999	0	0
29.	30,000 – 32,999	5	0	10,000 – 10,999	2	0
30.	33,000 – 35,999	2	0	11,000 – 11,999	3	0
31.	36,000 – 38,999	1	0	12,000 – 12,999	4	0
32.	39,000 – 41,999	0	0	13,000 – 13,999	2	0
33.	42,000 – 44,999	0	0	14,000 – 14,999	3	0
34.	45,000 – OVER	0	0	15,000 – OVER	8	0
35.	Total	56	0	Total	135	0

Section G. Information on Enrollment

(Institutions with TRADITIONAL CALENDAR)

Institutions that had Fall 1982 enrollment, fill in line 36.

		(a) Undergraduate	(b) Graduate/Professional
36.	Total number of students, Fall, 1982	517	0

Institutions that did not have Fall 1982 enrollment, fill in lines 37 and 38.

		(a) Undergraduate	(b) Graduate/Professional
37.	Estimated number of students, Fall, 1983	0	0
38.	Projected number of students, Fall, 1984	0	0

(Institutions with NON-TRADITIONAL CALENDAR)

		(a) Continuing Students	(b) New Starts
39.	July 1, 1982		
40.	August 1		
41.	September 1		
42.	October 1		
43.	November 1		
44.	December 1		
45.	January 1, 1983		
46.	February 1		
47.	March 1		
48.	April 1		
49.	May 1		
50.	June 1, 1983		
51.	Total		

OMB No. 1840-0073

Application and Fiscal Operations Report (FISAP)

Name of Institution and State: Great Falls Vo-Tech MT | Serial Number: 2418 | Entity Number: 18-L-600-0-L20-A-3

Part IV. Supplemental Educational Opportunity Grants Program (SEOG)

For Award Year July 1, 1982 Through June 30, 1983

Section A. Funds Authorized/Released for SEOG

		a Initial Year Allocation	b Continuing Year Allocation
1. Final Adjusted SEOG Authorization	Latest Award Letter 9/30/82 date of adj.	$ 9,492	$ 3,164

Section B. Funds Available for SEOG Expenditures

2. CWS Transferred to and Spent in SEOG		+ $ 1,000	+ $ 0
3. SEOG Transferred to and Spent in CWS		– $ 0	– $ 0
4. Funds Available	(IY = Lines 1 + 2 – 3) (CY = Lines 1 + 2 – 3)	$ 10,492	$ 3,164

Section C. Funds Spent for SEOG Program

5. SEOG Disbursements to Students		$ 10,492	$ 3,164
6. Administrative Cost Allowance Claimed		+ $ 524	+ $ 158
7. Funds Spent (Lines 5 + 6)		$ 11,016	$ 3,322

Section D. Use of SEOG Authorization

8. Expended SEOG Authorization (Line 3 + Line 7 – Line 2)		$ 10,492	$ 3,322
9. Unexpended SEOG Authorization (Line 1 – Line 8) (cannot be negative)		$ 0	$ 0

Section E. Miscellaneous Information

10. Amount of SEOG Disbursements to Less than Half-Time Students (IY and CY) (Cannot be more than 10% of your 1982-83 original and supplemental authorizations plus line 3 of Part V).		$ 0
11. Prior Year Recoveries		$ 0

Application and Fiscal Operations Report (FISAP)

Name of Institution and State: Great Falls Vo-Tech MT | Serial Number: 2418 | Entity Number: 1-8 J-60 0-0 1 2-0 A-3

Part V. College Work-Study Program (CWS) For Award Year July 1, 1982 Through June 30, 1983

Section A. Funds Authorized/Released for CWS

1.	Final Adjusted CWS Authorization	9/30/82 date of adj.	$ 10,574

Section B. Funds Available for CWS Expenditures

2.	SEOG Funds Transferred to and Spent in CWS	+ $ 0
3.	CWS Funds Transferred to and Spent in SEOG	− $ 1,000
4.	1983-84 Funds Carried Back and Spent in 1982-83	+ $ 0
5.	1981-82 Funds Carried Forward and Spent in 1982-83	+ $ 0
6.	1982-83 Funds Carried Forward to be Spent in 1983-84	− $ 1,540
7.	1982-83 Funds Carried Back and Spent in 1981-82	− $ 0
8.	Total Funds Available for 1982–83 (Lines 1 + 2 − 3 + 4 + 5 − 6 − 7)	$ 8,034

Section C. Total Compensation for CWS

9.	Total Earned Compensation for Regular CWS Jobs	$ 10 015.09
10.	Total Earned Compensation for Community Service Learning Program Jobs	+ $ 0
11.	Total Earned Compensation for Total CWS Program (Line 9 + Line 10)	$ 10,015.09
12.	Institutional Share of Earned Compensation (See Instructions)	$ 3,073.22

Section D. Funds Spent from Federal Share of CWS

13.	Federal Share of CWS Disbursements to Students (Both Regular and Community Service Learning Program)	$ 6,941.87
14.	Administrative Cost Allowance Claimed for Regular CWS Program	+ $ 500.75
15.	Administrative Cost Allowance Claimed for CSLP (May Not Exceed 10% of Line 10)	+ $ 0
16.	Federal Share of Job Location and Development Program Expenditures (The lesser of $25,000 or 10% of (your 1982–83 original and supplemental authorizations plus lines 4 and 5 of Part V)).	+ $ 0
17.	Total Federal Funds Spent for CWS (Sum of Lines 13 through 16)	$ 7,442.62

ection E. Use of CWS Authorization

18.	Expended CWS Authorization (Lines 3 + 6 + 7 + 17) minus (Lines 2 + 4 + 5)	$ 9,982.62
19.	Unexpended CWS Authorization (Line 1 − Line 18)	$ 591.38

Application and Fiscal Operations Report (FISAP)

OMB No. 1840-0073

Name of Institution and State: Great Falls Vo-Tech MT | Serial Number: 2418 | Entity Number: 18_1-6_0_0_0_1_2-0_A3

Part VI. Program Summary

For Award Year July 1, 1982 Through June 30, 1983

Section A. Income Distribution of Program Recipients

Dependents Undergraduate

STUDENT FAMILY INCOME CATEGORY	NDSL		SEOG IY		SEOG CY		CWS		SUMMARY	
	a Recipients	b Funds	c Recipients	d Funds	e Recipients	f Funds	g Recipients	h Amount Earned	i Unduplicated Number of Recipients	j Amount Spent
1. $0 – 5,999	0	0	2	400	1	150	2	901	5	1451
2. $6,000 – 11,999	0	0	0	0	1	200	1	12	2	212
3. $12,000 – 17,999	0	0	0	0	0	0	2	754	2	754
4. $18,000 – 23,999	0	0	1	300	0	0	1	166	2	466
5. $24,000 – 29,999	0	0	0	0	0	0	1	424	1	424
6. $30,000 and OVER	0	0	0	0	0	0	0	0	0	0
7. Undergraduate Independent	0	0	40	12,606	0	0	15	7758	55	20,364
8. Graduate	0	0	DOES NOT APPLY	DOES NOT APPLY	DOES NOT APPLY	DOES NOT APPLY	0	0	0	0
9. Less than half-time students	DOES NOT APPLY	DOES NOT APPLY	0	0	0	0	0	0	0	0
10. TOTAL	0	0	43	13,306	2	350	22	10,015	67	23,671

Application and Fiscal Operations Report (FISAP)

Expires 7/31/83

Part I. Identifying Information and Certifications

Section A. Identifying Information

1. Name and Address of Institution

2. Serial No. 2418 (4 digits)

3. Entity No. 1.816 000 120 A3 (11 digits)

Branch Campuses

If there is not enough space here to list all of your branch campuses, attach a list on a separate sheet of paper.

I have attached a separate list of branch campuses

☐ Yes
☒ No

a.

b.

c.

d.

4. Type of Institution ("X" one)

- ☐ 4.1 Public
- ☐ 4.2 Private/Non-Profit
- ☐ 4.3 Proprietary
- ☒ 4.4 Postsecondary Vocational

5. Length/Type of Program ("X" one)

- ☐ 5.1 Less than 1 year
- ☒ 5.2 1 year but less than 2 years
- ☐ 5.3 2 years but less than 3 years
- ☐ 5.4 3 years but less than 4 years
- ☐ 5.5 4 years (Baccalaureate Degree granting only)
- ☐ 5.6 5 years or more
- ☐ 5.7 Postbaccalaureate only

Section B. Certifications

We certify that the information contained in this form is true and accurate to the best of our knowledge. We understand that the information is subject to audit by representatives of the Secretary of Education.

WARNING: Any person who knowingly provides false or misleading information on this form will be subject to a fine of up to $10,000 or to imprisonment of up to 5 years or to both under provisions of the United States Criminal Code.

6. President of Institution

Signature Loran Frazier

Typed name Loran Frazier

Date signed April 25, 1982

Telephone no. (406) 791-2100
area code · number · extension

7. Financial Aid Administrator

Signature Norvil Carlson

Typed name Norvil Carlson

Date signed April 28 1982

Telephone no (406) 791-2109
area code · number · extension

8. Chief Fiscal Officer

Signature Earl B. Lamb

Typed name Earl B. Lamb

Date signed April 28, 1982

Telephone no (406) 791-2290
area code · number · extension

Form 646-1, Approval date: 7/9/82

OMB No. 1840-0073

Application and Fiscal Operations Report (FISAP)

Name of Institution: Great Falls Vo-Tech Center Serial Number: 2418 Entity Number: 1-816 000 120 A3

Part II. Application to Participate

Section A. Request for Funds for the 1983-84 Award Year

1. NDSL Level of Expenditures $ 0
2. NDSL Federal Capital Contribution $ 0
3. SEOG Initial Year (IY) $ 10,000
4. SEOG Continuing Year (CY) $ 5,000
5. CWS Federal Funds $ 15,000

Section B. CWS Waiver Request

(Applies only to certain schools. see instructions)

6. Do you wish to apply as a developing institution?
   ☐ Yes
   ☒ No

7. Do you wish to apply as an institution which has 50% or more of its students from families with an income of less than $7,500?
   ☐ Yes
   ☒ No

Section C. Request for Special CWS Funds for Students from Trust Territory/American Samoa

(Applies only to schools with students from certain areas: see instructions)

Number of students to be employed	Estimated average earnings per student (Federal & institutional shares)	Estimated Total earnings (a x b)	Federal share (Not to exceed 80% of column c)	Administrative cost allowance	Total Request (d + e)
8. a. # 0	b. $ 0	c. $ 0	d. $ 0	e. $ 0	f. $ 0

Section D. Maintenance of Effort

Institutions that participated in SEOG and/or CWS in Award Year 1981–1982, complete line 9.

9. Institutional Expenditures July 1, 1981 – June 30, 1982 $ 3166.21

Institutions that received SEOG and/or CWS funds for the first time in Award Year 1982–1983, complete lines 10–14.

10. July 1, 1979–June 30, 1980 Expenditures $
11. July 1, 1980–June 30, 1981 Expenditures $
12. July 1, 1981–June 30, 1982 Expenditures $
13. TOTAL EXPENDITURES $
14. 3-Year Average $

Name of Institution Great Falls Vo-Tech Center Serial Number 2418 Entity Number 1-816 000 120 A3

Section E. Assessments and Expenditures

		(a) Undergraduate	(b) Graduate/Professional
15.	Total tuition and fees for the Award Year July 1, 1981–June 30, 1982	$138,294	$ 0
16.	Total expended to fund Pell recipients for the 1981–82 Pell Grant Award Year	$ 76,104	
17.	Total expended for State grants and scholarships made to undergraduates for the Award Year July 1, 1981 to June 30, 1982	$ 3,752	
18.	Total expended for institutionally administered grants and scholarships made to undergraduates for the Award Year JULY 1, 1977 to JUNE 30, 1978	$	

Section F. Information on Eligible Aid Applicants for Award Year 1981–82

	Total Taxable & Non-taxable Income	DEPENDENT Undergraduate	DEPENDENT Graduate/Professional	Total Taxable & Non-taxable Income	INDEPENDENT Undergraduate	INDEPENDENT Graduate/Professional
19.	$ 0 – $ 2,999	3	0	$ 0 – $ 999	24	0
20.	3,000 – 5,999	3	0	1,000 – 1,999	10	0
21.	6,000 – 8,999	18	0	2,000 – 2,999	21	0
22.	9,000 – 11,999	9	0	3,000 – 3,999	19	0
23.	12,000 – 14,999	4	0	4,000 – 4,999	11	0
24.	15,000 – 17,999	7	0	5,000 – 5,999	18	0
25.	18,000 – 20,999	3	0	6,000 – 6,999	10	0
26.	21,000 – 23,999	4	0	7,000 – 7,999	10	0
27.	24,000 – 26,999	3	0	8,000 – 8,999	10	0
28.	27,000 – 29,999	1	0	9,000 – 9,999	10	0
29.	30,000 – 32,999	1	0	10,000 – 10,999	5	0
30.	33,000 – 35,999	0	0	11,000 – 11,999	3	0
31.	36,000 – 38,999	0	0	12,000 – 12,999	3	0
32.	39,000 – 41,999	0	0	13,000 – 13,999	3	0
33.	42,000 – 44,999	0	0	14,000 – 14,999	3	0
34.	45,000 – OVER	0	0	15,000 – OVER	3	0
35.	Total	56	0	Total	163	0

Section G. Information on Enrollment

(Institutions with TRADITIONAL CALENDAR)

Institutions that had Fall 1981 enrollment, fill in line 36.

		(a) Undergraduate	(b) Graduate/Professional
36.	Total number of students, Fall, 1981	473	0

Institutions that did not have Fall 1981 enrollment, fill in lines 37 and 38.

		(a) Undergraduate	(b) Graduate/Professional
37.	Estimated number of students, Fall, 1982		0
38.	Projected number of students, Fall, 1983		0

(Institutions with NON-TRADITIONAL CALENDAR)

		(a) Continuing Students	(b) New Starts
39.	July 1, 1981		
40.	August 1		
41.	September 1		
42.	October 1		
43.	November 1		
44.	December 1		
45.	January 1, 1982		
46.	February 1		
47.	March 1		
48.	April 1		
49.	May 1		
50.	June 1, 1982		
51.	Total		

OMB No. 1840-0073

Application and Fiscal Operations Report (FISAP)

Name of Institution: Great Falls Vo-Tech Center Serial Number: 2418 Entity Number: 1-816 000 120 A3

Part IV. Supplemental Educational Opportunity Grants Program (SEOG)

Section A. Funds Authorized/Released for SEOG

		[a] Initial Year	[b] Continuing Year
1.	Final Adjusted SEOG Authorization	$ 10,000	$ 0

Section B. Funds Available for SEOG Expenditures

2.	CWS Transferred and Spent in SEOG	+ $ 1,370	+ $ 0
3.	SEOG Transferred and Spent in CWS	− $ 0	− $ 0
4.	Funds Available (IY = Lines 1 + 2 − 3) (CY = Lines 1 + 2 − 3)	$ 11,370	$ 0

Section C. Funds Spent for SEOG Program

5.	SEOG Disbursements to Students	$ 11,000	$ 0
6.	Administrative Cost Allowance Claimed	+ $ 370	+ $ 0
7	Funds Spent (Lines 5 + 6)	$ 11,370	$ 0

Section D. Use of SEOG Authorization

8.	Expended SEOG Authorization (Line 3 + Line 7 − Line 2)	$ 10,000	$ 0
9.	Unexpended SEOG Authorization (Line 1 − Line 8)	$ 0	$ 0

Section E. Miscellaneous Information

10.	Amount of SEOG Disbursements to Less Than Half-Time Students (IY and CY) (Cannot be more than 10% of your original plus supplemental authorizations)	$ 0
11	Prior Year Recoveries	$ 0

ED Form 646-1 Approval date 7/9/82

Name of Institution Great Falls Vo-Tech Center Serial Number 2418 Entity Number 1-816 000 120 A3

Part V. College Work-Study Program (CWS)

Section A. Funds Authorized/Released for CWS

1.	Final Adjusted CWS Authorization	$ 13,708

Section B. Funds Available for CWS Expenditures

2.	SEOG Funds Transferred and Spent in CWS	+ $ 0
3.	CWS Funds Transferred and Spent in SEOG	− $ 1,370
4.	1982-83 Funds Carried Back and Spent in 1981-82	+ $ 0
5.	1980-81 Funds Carried Forward and Spent in 1981-82	+ $ -731.21 0
6.	1981-82 Funds Carried Forward to be Spent in 1982-83	− $ 0
7.	1981-82 Funds Carried Back and Spent in 1980-81	− $ 0
8.	Total Funds Available for 1981-82 (Lines 1 + 2 − 3 + 4 + 5 − 6 − 7)	$ 13,069 12,338

Section C. Total Compensation for CWS

9.	Total Earned Compensation for Regular CWS Jobs	$ 10,865 10822
10.	Total Earned Compensation for Community Service Learning Program Jobs	+ $ 0
11.	Total Earned Compensation for Total CWS Program (Line 9 + Line 10)	$ 10,865 10822
12.	Institutional Share of Earned Compensation (See Instructions)	$ 3,166

Section D. Funds Spent from Federal Share of CWS

13.	Federal Share of CWS Disbursements to Students (Both Regular and Community Service Learning Program)	$ 7,699 7656
14.	Administrative Cost Allowance Claimed for Regular CWS Program	+ $ 723 821
15.	Administrative Cost Allowance Claimed for CSLP (May Not Exceed 10% of Line 10)	+ $ 0
16.	Federal Share of Job Location and Development Program Expenditures (May not exceed $25,000 or 10% of the sum of lines 4 + 5 plus your original and supplemental authorizations, whichever is less.)	+ $ 0
17.	Total Federal Funds Spent for CWS (Sum of Lines 13 through 16)	$ 8,422 8377

Section E. Use of CWS Authorization

18.	Expended CWS Authorization (Lines 3 + 6 + 7 + 17) minus (Lines 2 + 4 + 5)	$ 9,061 9747
19.	Unexpended CWS Authorization (Line 1 − Line 18)	$ 4,647 3961

Name of Institution Great Falls Vo-Tech Center Serial Number 2418 Entity Number 1-816 000 120 A3

Section F. Miscellaneous Information

20.	Federal Share of Compensation Earned by Less-Than-Half Time Students	$ 0
21.	Prior Year Recoveries	$ 0

Section G. Information About the Job Location and Development Program

22.	Total Expenditures for the Job Location and Development Program	$ 0
23	Institutional Share of JLD Program Expenditures (See Instructions)	– $ 0
24	Federal Share of JLD Program Expenditures (Line 22 – Line 23. Line 24 Must Equal Section D, Line 16)	$ 0
25.	Number of Enrolled Students for Whom Jobs Were Located or Developed	0
26.	Total Earnings of the Students in Line 25 Above	$ 0

Section H. Maintenance of Effort for the Job Location and Development Program

If your institution operated a Federal JLD Program in 1981-82, fill in line 27 only.

27.	Institutional Expenditures for JLD Program in Award Year 1981-82	$ 0

If your institution is operating a Federal JLD Program for the first time in 1982-83, fill in lines 28 - 32 only.

28.	Institutional Expenditures for JLD Program in Award Year 1979-80	$ 0
29.	Institutional Expenditures for JLD Program in Award Year 1980-81	$ 0
30.	Institutional Expenditures for JLD Program in Award Year 1981-82	$ 0
31	Total (Sum of Lines 28, 29, and 30)	$ 0
32.	Average Annual Expenditure	$ 0

Application and Fiscal Operations Report (FISAP)

OMB No. 1840-0073

Name of Institution: Great Falls Vo-Tech Center | Serial Number: 2418 | Entity Number: 1 816 000 120 A3

Part VI. Program Summary

Section A. Income Distribution of Program Recipients

STUDENTS	NDSL		SEOG IY		SEOG CY		CWS		SUMMARY	
	a Recipients	b Funds	c Recipients	d Funds	e Recipients	f Funds	g Recipients	h Amount Earned	i Unduplicated Number of Recipients	j Amount Spent
Undergraduate Dependents — 1. $0 – 5,999	0	0	~~1~~ 0	~~200~~ 0	0	0	~~2~~ 1	~~541~~ ~~129~~	~~2~~ 1	~~741~~ ~~129~~
2. $6,000 – 11,999	0	0	~~3~~ 4	~~500~~ ~~900~~	0	0	0 ~~1~~	- 0 - ~~295~~	~~3~~ ~~1~~	~~500~~ ~~295~~
3. $12,000 – 17,999	0	0	1	100	0	0	~~2~~ 1	~~1364~~ 607	~~2~~ ~~1~~	~~1464~~ ~~607~~
4. $18,000 – 23,999	0	0	0	0	0	0	1	54	1	54
5. $24,000 – 29,999	0	0	0	0	0	0	0	0	0	0
6. $30,000 and OVER	0	0	0	0	0	0	0	0	0	0
7. Undergraduate Independent	0	0	32	~~12,200~~ ~~10,000~~	0	0	~~21~~ 24	~~8863~~ 10,039	~~42~~ ~~24~~	~~19,063~~ 10,039
8. Graduate	0	0	DOES NOT APPLY	DOES NOT APPLY	DOES NOT APPLY	DOES NOT APPLY	0	0	0	0
9. Less than half-time students	DOES NOT APPLY	DOES NOT APPLY	0	0	0	0	0	0	0	0
10. TOTAL	0	0	37	11,000	0	0	~~26~~ ~~28~~	~~10,822~~ 11,124	50 28	~~21822~~ ~~11,124~~

Name of Institution Great Falls Vo-Tech Center Serial Number 2418 Entity Number 1. 816 000 120 A3

Section B. Calculating the Administrative Cost Allowance

STEP 1 Calculate the amount spent in 1981-82 on which the Administrative Cost Allowance is based:

1. Total compensation in CWS (amount from Part V, Section Section C, line 11)	$ 10,865 10822		
2. CSLP employment expenditures (amount from Part V, Section C, line 10)	− $ 0		
3. Eligible expenditures for Administrative Cost Allowance calculation (line 1 minus line 2) (must be the same as Part V, Section C, line 9)		$ 10,865 10822	
4. Amount of NOSL funds advanced to students (amount from Part III, Section B, line 3)		+ $ 0	
5. SEOG funds disbursed to students (amount from Part IV, Section C, line 5, columns a + b)		+ $ 11,000	
6. TOTAL Amount Spent (lines 3 + 4 + 5)		$ 21,865 21822	

STEP 2 Calculate the Administrative Cost Allowance:

(Complete only ONE Subsection)

Institutions whose total amount spent was $2,750,000 OR LESS

7. Enter total amount spent (line 6)	$ 21,865 21822	
8. Multiply	x .05	
9. TOTAL Administrative Cost Allowance	$ 1,093 1091	

(GO TO STEP 3)

Institutions whose total amount spent was MORE THAN $2,750,000 but LESS THAN $5,500,000

10. Enter total amount spent (line 6)	$	
11. Subtract	− $ 2,750,000	
12. Expenditures over $2,750,000 (line 10 minus line 11)	$	
13. Multiply	x .04	
14. Administrative Cost Allowance on expenditures over $2,750,000 (line 12 x line 13)		$
15. Add Administrative Cost Allowance on expenditures of $2,750,000		+ $ 137,500
16. TOTAL Administrative Cost Allowance (line 14 + line 15)		$

(GO TO STEP 3)

Institutions whose total amount spent was $5,500,000 OR MORE

17. Enter total amount spent (line 6)	$	
18. Subtract	− $ 5,500,000	
19. Expenditures over $5,500,000 (line 17 minus line 18)	$	
20. Multiply	x .03	
21. Administrative Cost Allowance on expenditures over $5,500,000 (line 19 x line 20)		$
22. Add Administrative Cost Allowance on expenditures of $5,500,000		+ $ 247,500
23. TOTAL Administrative Cost Allowance (line 21 + line 22)		$

(GO TO STEP 3)

STEP 3 Decide how much Administrative Cost Allowance the Institution claimed:

24. How much Administrative Cost did the Institution claim? (The amount may be the same or less than the amount calculated in Step 2)		$ 1,093 1091
25. How much Administrative Cost did the Institution claim in each program?		
a. NDSL (must usually be the same as Part III, Section B line 4, column b, see instructions for Part III, Section B)	$ 0	
b. SEOG FY (must be the same as Part IV, Section C, line 6, column a)	$ 370	
c. SEOG CY (must be the same as Part IV, Section C, line 6, column b)	$ 0	
d. CWS (must be the same as Part V, Section D, line 14)	$ 723 721	

AWARD PERIOD 1982-83 ONLY

REPORT OF EXPENDITURES AND RECIPIENTS (SEE INSTRUCTIONS)

1. FELL INST. NO. (1-6) C09714

2. ENTITY NO. (9-20) 181600012CA3

10. REPORT FOR (27): 3 [__] JUNE 30 5 [__] REVISED JUNE 30

11. ENDING DATE OF PERIOD COVERED (29-34) ___/___/___

ENTER DOLLARS ONLY- DO NOT SHOW CENTS

		(A) AMOUNT	(B) COUNT
12. GROSS EXPENDITURES AND RECIPIENTS (ACTUAL PAYMENTS AND STUDENTS)	12.	$ 93,585 (37)(9-16)	169 (17-24)
13. LESS RECOVERIES (FOR THIS AWARD PERIOD)	13.	370. (25-32)	(33-40)
14. NET EXPENDITURES (FOR THIS AWARD PERIOD) 12A-13A=14A.		$ 93,215 (41-48)	
15. ADDITIONAL AMOUNT FOR PRESENT RECIPIENTS	15.	$ (57-64)	
16. ESTIMATED ADDITIONAL EXPENDITURES AND RECIPIENTS	16.	$ (65-72)	(73-80)
17. TOTAL EXPENDITURES AND RECIPIENTS 14A+17A. (FOR ENTIRE AWARD PERIOD: 7/1/82 - 6/30/83) 12B+16B.	17.	$ 93,215 4(7)(9-16)	169 (17-24)
18. CURRENT ED APPROVED AUTHORIZATION PER ED RECORDS AS OF: 08/11/83	18.	$ 93,225. (25-32)	
19. INSTITUTION'S REQUESTED AUTHORIZATION ADJUSTMENT 17A-18A=19.		$+ 10. (33-40)	
21. NUMBER OF STUDENT AID REPORTS PREVIOUSLY SUBMITTED AS OF: 06/30/83	21.		169 (41-48)
22. NUMBER OF STUDENT AID REPORTS SUBMITTED WITH THIS REPORT	22.		1 (49-56)
23. TOTAL NUMBER OF STUDENT AID REPORTS SUBMITTED 21+22=23.			170 (57-64)
OFFICIAL RESPONSIBLE FOR THIS PROGRESS REPORT (49)		ED USE ONLY	(65-72)

25. NAME: Carl Spinti

26. TITLE: Assistant Director

27. PHONE: (406) 791-2100 DATE SIGNED: 10/7/83

28. SIGNATURE: Carl Spinti

CERTIFICATION - I CERTIFY THAT I HAVE EXAMINED THIS INSTITUTIONAL PROGRESS REPORT, INCLUDING ANY ACCOMPANYING STUDENT AID REPORTS, AND ALL INFORMATION IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE. I UNDERSTAND THAT IF I KNOWINGLY MAKE FALSE OR MISLEADING STATEMENTS ON THIS REPORT, I AM SUBJECT TO A FINE OF UP TO $10,000, IMPRISONMENT FOR UP TO 5 YEARS, OR BOTH, UNDER PROVISIONS OF THE UNITED STATES CRIMINAL CODE (INCLUDING 18 U.S.C. 1001). (20 USC 1070A, 34 CFR 690.84)

ED FORM 255-3, 6/82 PREVIOUS EDITION IS OBSOLETE

END OF ROSTER - TOTAL PAGES 15

AWARD PERIOD 1981-82 ONLY

REPORT OF EXPENDITURES AND RECIPIENTS (SEE INSTRUCTIONS)

1. BEOG ID NO. (1-6) 009314
2. ENTITY NO. (9-20) 1616000120A3

10. REPORT FOR (27): 3 [ ] JUNE 30 5 [X] REVISED JUNE 30
11. DATE REPORT PREPARED (29-34) 12/16/82

ENTER DOLLARS ONLY-
DO NOT SHOW CENTS

		(A) AMOUNT	(B) NO. OF RECIPIENTS
12. GROSS EXPENDITURES (ACTUAL PAYMENTS TO STUDENTS TO DATE)	12.	$ 76,122	165
13. LESS RECOVERIES (TO DATE)	13.	$ -0-	-0-
14. NET EXPENDITURES	12A=13A=14A.	$ 76,122	
15. ADDITIONAL AMOUNT FOR PRESENT RECIPIENTS	15.	$	
16. ESTIMATED ADDITIONAL EXPENDITURES AND RECIPIENTS	16.	$	
17. TOTAL EXPENDITURES AND RECIPIENTS (FOR ENTIRE AWARD PERIOD: 7/1/81 - 6/30/82)	14A=17A. 12B=17B.	$ 76,122	165
18. CURRENT ED APPROVED AUTHORIZATION PER ED RECORDS AS OF: 09/13/82	18.	$ 76,104	
19. INSTITUTION'S REQUESTED AUTHORIZATION ADJUSTMENT	17A-18A=19.	$ +18.00	
		$	
21. NUMBER OF STUDENT ELIGIBILITY REPORTS PREVIOUSLY SUBMITTED AS OF: 07/27/82	21.		162 XXXX 159
22. NUMBER OF STUDENT ELIGIBILITY REPORTS SUBMITTED WITH THIS REPORT	22.		3
23. TOTAL NUMBER OF STUDENT ELIGIBILITY REPORTS SUBMITTED	21+22=23.		165
OFFICIAL COMPLETING THIS REPORT (49)		ED USE ONLY	

25. NAME: Carl Spinti
26. TITLE: Assistant Director
27. PHONE: (406) 791-2100
28. SIGNATURE: Carl L. Spinti

WARNING: ANY PERSON WHO KNOWINGLY MAKES A FALSE STATEMENT OR MISREPRESENTATION ON THIS FORM MAY BE SUBJECT TO A FINE OF UP TO $10,000 OR T IMPRISONMENT OF UP TO 5 YEARS OR TO BOTH UNDER PROVISIONS OF THE UNIT STATES CRIMINAL CODE. SUCH PROVISIONS MAY INCLUDE AMONG OTHERS 18 U.S.C. 1001. (20 USC 1070A, 34CFR 690.84

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END OF POSTER - TOTAL PAGES 18

AGENCIES' REPLIES

GREAT FALLS
VOCATIONAL - TECHNICAL
CENTER

2100 16TH AVENUE SOUTH GREAT FALLS, MONTANA 59405

March 16, 1984

RECEIVED
MAR 19 1984
MONTANA LEGISLATIVE AUDITOR

Mr. James H. Gillett
Deputy Legislative Auditor
Office of the Legislative Auditor
State Capitol
Helena, Montana 59620

Dear Mr. Gillett:

Thank you for the opportunity to review and respond to the audit. We consider an audit as a device to measure present operations as well as a tool to improve the school's operation.

The following responses to the audit are made by Loran Frazier, Director; Carl Spinti, Assistant Director and Norvil Carlson, Financial Aid Officer.

Recommendation #1 Concur

The Center will request training from the O.P.I. as suggested in the exit interview. The Center will make available one of our staff members to receive the training and review the monthly reports.

Recommendation #2 Concur

We were not aware that the classifications were incorrect and they are in the process of being corrected.

Recommendation #3 Concur

The Center is presently computing contact hours according to O.P.I. policy. However, in the 1981-82 school year the policy was interpreted to read that any student present at the Center on the 12th day was to be counted for contact hour purposes.

Recommendation(s) #4, 5, 6, 7, 8, 9, 10

Concur with all recommendations.

Recommendation #11

The Center concurs that the overawards exist but questions if the United States Department of Education would hold the school responsible for the $596. At the time the awards were made, the Department of Education did not have available a printed schedule by which the school could compute student awards. The awards in question were done by hand calculation using the best information available at the time of award.

Recommendation #12

Concur

Recommendation #13

Concur

Recommendation #14

The following statement is extracted from the basic requirements to qualify for financial aid policy statement.

..."Students must have a high school diploma or G.E.D. Others may be admitted as special enrollment students. They must score 9.0 or higher on the C.T.B. Test"...

Recommendation #15

At the time of the audit not all requested financial aid transcripts were filed in the student folders. The Center does request financial aid transcripts from schools attended previously.

Recommendation #16

Concur

Recommendation #17

Concur

Recommendation #18

Concur

Sincerely,

Loran Frazier
Director

OFFICE OF PUBLIC INSTRUCTION

STATE CAPITOL
HELENA, MONTANA 59620
(406) 449-3095

Ed Argenbright
Superintendent

RECEIVED
MAR 19 1984
MONTANA LEGISLATIVE AUDITOR

March 19, 1984

Mr. Robert R. Ringwood
Legislative Auditor
Office of the Legislative Auditor
State Capitol
Helena, Montana 59620

Dear Mr. Ringwood:

The Office of Public Instruction has received and reviewed the audit findings for the Great Falls Vocational-Technical Center, Fiscal Years 1982 and 1983.

Our response to recommendations follows.

Recommendation 1: We recommend that the Center:

A. Provide accounting training to Center personnel.
B. Review monthly accounting reports for reasonableness.

Response: The Office of Public Instruction concurs with both parts of the recommendation.

Recommendation 2: We recommend the Center change the SBAS fund classification for four of its accounting entities.

Response: OPI concurs.

Recommendation 3: We recommend:

A. OPI clarify its FTE policy to consider programs which cover parts of quarters.

Response: OPI has clarified the FTE policy through the use of addendum reports for class offerings starting after the 12th day reports. Policy states that total contact hours shall be divided by 333.3 per quarter or 1000 for an annual determination of FTE students.

B. The Center compute contact hours according to OPI policy.

Response: OPI concurs that the Center use stated policy in determining contact hours.

Recommendation 4: We recommend the Center:

A. Record its endowment activity in the accounting records.

B. Deposit the endowment funds in the state treasury or obtain authorization from the Department of Administration to keep the funds at the school district, in accordance with state law.

Response: OPI concurs with both parts of the recommendation.

Recommendation 5: We recommend the Center negotiate agreements to recover, to the fullest extent possible, the indirect costs of administering federal grants, as required by Section 17-3-111, MCA.

Response: OPI concurs with the legal cite, however reiterates its concern that the frequency and amounts so generated are not a dependable sources of revenue.

Recommendation 6: We recommend the Center comply with state law when making inter-entity loans.

Response: OPI concurs.

Recommendation 7: We recommend the Center deposit moneys in compliance with state law.

Response: OPI concurs.

Recommendation 8: We recommend the Center submit an amended federal report for Fiscal Year 1982-83 reporting the correct maintenance of level of effort information.

Response: OPI concurs.

Recommendation 9: We recommend the Center submit corrected federal reports for Fiscal Years 1981-82 and 1982-83.

Response: OPI concurs.

Recommendation 10: We recommend the Center adequately support amounts shown on federal reports.

Response: OPI concurs.

Recommendation 11: We recommend the Center:

A. Compute a student's cost of education on an academic year.
B. Refund to the U.S. Department of Education the $596 in overawards.

Response: OPI concurs with both parts of the recommendation.

Recommendation 12: We recommend the Center:

A. Compute awards based on student's scheduled attendance.
B. Refund $130 to the U.S. Department of Education.

Response: OPI concurs with both parts of the recommendation.

Recommendation 13: We recommend the Center:

A. Document its satisfactory progress policy.

B. Monitor students' progress and revoke student aid awards to students who are not maintaining a satisfactory progress level.

Response: OPI concurs with both parts of the recommendaton.

Recommendation 14: We recommend the Center establish and document a student aid eligibility standard based on ability to benefit.

Response: OPI does not concur based upon an entrance measurement or pseudo-determination. The documentation of satisfactory progress is favored over the establishment of rigid standards which may preclude certain persons from attaining an education.

Recommendation 15: We recommend the Center obtain and review financial aid transcripts for students who indicate previous attendance at another post-secondary institution.

Response: OPI concurs.

Recommendation 16: We recommend the Center comply with federal regulations in documenting Pell Grant applicant data.

Response: OPI concurs.

Recommendation 17: We recommend the Center maintain minimum cash balances sufficient to finance current disbursements.

Response: OPI concurs.

Recommendation 18: We recommend the Center assign responsibility to a person not involved with day to day bookstore operations to count and determine the cost of inventory on hand at June 30 each year.

Response: OPI concurs.

The Office of Public Instruction is apreciative of the assistance provided to the Center and the Department of Vocational Education Services as a result of the audit. Several changes in response to the audit recommendations have been implemented in an effort to improve the operations and services provided by the Great Falls Center.

Sincerely,

Gene R. Christiaansen
Assistant Superintendent
Department of Vocational Education Services

cmw30

cc: Superintendent Ed Argenbright
W. Anderson, OPI
T. Chesbro, OPI
R. Frisbee, OPI
L. Frazier, GFVT